

Dated: 9<sup>th</sup> November, 2023  
Place: Hyderabad

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai-400 001	The National Stock Exchange of India Limited Bandra Kurla Complex Bandra East, Mumbai - 400 051
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Dear Sir/Madam,

Sub : Outcome of Board Meeting  
Ref: SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015

We wish to inform you that at the meeting of the Board of Directors of the company commenced at 10:00 A.M. and concluded at 5:15 P.M. on Thursday the 9<sup>th</sup> day of November, 2023, the following business were transacted:

- 1) Approval of the Un-audited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30<sup>th</sup> September, 2023
- 2) Approval of the Limited Review Report (standalone and consolidated) issued by the Statutory Auditors of the Company for the Quarter and half year ended 30<sup>th</sup> September, 2023.
- 3) To make investment in Pennar GmbH, Germany a wholly owned subsidiary company, details of the same is attached herewith as Annexure-A.
- 4) To make investment in Pennar Global Inc, USA a wholly owned subsidiary company, details of the same is attached herewith as Annexure-B.
- 5) The Board has reconstituted the composition of the Nomination and Remuneration Committee with effect from 9<sup>th</sup> November, 2023. The composition of committee is attached herewith as Annexure-C.
- 6) The Board has taken on record the statement of investor complaint under regulation 13(3) and compliance report on corporate governance under regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30<sup>th</sup> September, 2023.
- 7) The Board authorizes the Key Managerial Personnel to determine materiality of an event or information and making disclosures of such event or information to the stock exchanges, the details of the same is given in Annexure-D.

The following are attached herewith for your information and record:

- a. The certified copy of Un-audited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2023.
- b. The Limited Review Report (Standalone and Consolidated) for the quarter and half year ended 30<sup>th</sup> September, 2023 issued by the Statutory Auditors of the Company.
- c. Press Release for the quarter ended 30<sup>th</sup> September, 2023.
- d. The details as per SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015, is attached herewith as Annexure-A and B.
- e. The composition of Nomination and Remuneration Committee is attached herewith as Annexure-C
- f. The list of Persons authorised under Regulation 30 (5) of SEBI (LODR) Regulations, 2015 is attached herewith as Annexure-D

The same will be made available on the Company's website viz., <https://www.pennarindia.com/financial-information.php>

Kindly take the same on your records.

Thanking you

Yours faithfully,

**for Pennar Industries Limited**



**Mirza Mohammed Ali Baig**  
**Company Secretary & Compliance Officer, ACS 29058**

Mirza  
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ed Ali Baig

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Mohammed Ali Baig  
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Mohammed Ali Baig  
Date: 2023.11.09 17:17:21 +05'30'

**PENNAR INDUSTRIES LIMITED**

**Corporate Office & Works :** IDA, Patancheru - 502319, Sangareddy District, Telangana State, INDIA.

**Tel :** +91 8455 242184 to 242193, **Email :** corporatecommunications@pennarindia.com, **Website :** www.pennarindia.com

**Regd. Office:** 3rd Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500084, Telangana, INDIA.

**Tel :** +91 40 41923108

**CIN No: L27109TG1975PLC001919**

**PENNNAR INDUSTRIES LIMITED**  
(CIN: L27109TG1975PLC001919)

Regd. Office: Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad 500084, Telangana, India.  
Tel: +91 40 40061621; Fax: +91 40 40061618; E-mail: corporatecommunications@pennarindia.com; Website: www.pennarindia.com  
Statement of Consolidated and Standalone Financial Results for the Quarter and Half year Ended Septemeber 30, 2023

₹ in Lakhs

Sl. No	Particulars	Consolidated results						Standalone results					
		Quarter Ended		Half Year Ended		Year Ended		Quarter Ended		Half Year Ended		Year Ended	
		30-Jun-23	30-Sep-23	30-Sep-23	30-Sep-23	31-Mar-23	30-Sep-23	30-Jun-23	30-Sep-23	30-Sep-23	30-Sep-23	31-Mar-23	30-Sep-23
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	
<b>1</b>	<b>Income</b>												
	(a) Revenue from operations	81,413	83,399	1,56,302	1,53,397	2,89,462	63,383	57,986	63,859	1,21,369	1,19,585	1,19,585	2,28,830
	(b) Other income	591	1,562	1,770	2,664	3,343	621	1,293	1,544	1,914	2,740	2,740	3,727
	<b>Total income</b>	<b>82,004</b>	<b>84,961</b>	<b>1,58,072</b>	<b>1,56,061</b>	<b>2,92,805</b>	<b>64,004</b>	<b>59,279</b>	<b>65,403</b>	<b>1,23,283</b>	<b>1,22,325</b>	<b>1,22,325</b>	<b>2,32,557</b>
<b>2</b>	<b>Expenses</b>												
	(a) Cost of materials consumed	51,548	46,472	1,00,801	96,638	1,76,631	40,944	40,102	40,686	81,046	83,073	83,073	1,54,354
	(b) Purchase of traded goods	991	5,219	1,434	6,429	10,116	584	241	320	825	511	511	1,376
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,279)	1,568	(5,505)	(5,203)	(6,607)	(2,599)	(3,416)	489	(6,015)	(6,024)	(6,024)	(8,110)
	(d) Employee benefits expense	7,767	8,862	15,819	15,819	31,031	4,017	3,987	4,102	8,004	8,393	8,393	15,374
	(e) Finance costs	2,987	2,467	5,772	4,618	9,121	2,975	2,740	2,424	5,715	4,539	4,539	8,943
	(f) Depreciation and amortisation expense	1,656	1,642	3,298	3,141	6,497	1,400	1,386	1,352	2,786	2,728	2,728	5,598
	(g) Other expenses	16,361	14,174	30,535	30,592	56,172	14,929	12,498	14,581	27,427	26,417	26,417	49,064
	<b>Total expenses</b>	<b>79,031</b>	<b>73,123</b>	<b>1,52,154</b>	<b>1,52,034</b>	<b>2,82,961</b>	<b>62,250</b>	<b>57,538</b>	<b>63,954</b>	<b>1,19,788</b>	<b>1,19,637</b>	<b>1,19,637</b>	<b>2,26,599</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	2,973	2,945	5,918	4,027	9,844	1,754	1,741	1,449	3,495	2,688	2,688	5,958
<b>4</b>	<b>Tax expense</b>												
	(a) Current tax	792	819	1,611	1,045	2,449	479	507	321	986	760	760	1,689
	(b) Deferred tax charge/(benefit)	(55)	43	(110)	(64)	(148)	(44)	(55)	43	(99)	(64)	(64)	(151)
	<b>Total tax expense</b>	<b>737</b>	<b>764</b>	<b>1,501</b>	<b>981</b>	<b>2,301</b>	<b>435</b>	<b>452</b>	<b>364</b>	<b>887</b>	<b>696</b>	<b>696</b>	<b>1,538</b>
<b>5</b>	<b>Net Profit for the period/year (3-4)</b>	<b>2,236</b>	<b>2,181</b>	<b>4,417</b>	<b>3,046</b>	<b>7,543</b>	<b>1,319</b>	<b>1,289</b>	<b>1,085</b>	<b>2,608</b>	<b>1,992</b>	<b>1,992</b>	<b>4,420</b>
	Attributable to:												
	Shareholders of the Company	2,253	2,181	4,434	3,075	7,542	1,319	1,289	1,085	2,608	1,992	1,992	4,420
	Non-controlling interest	(17)	-	(17)	(29)	1	-	-	-	-	-	-	-
<b>6</b>	<b>Other comprehensive income</b>												
	Item that will not be reclassified subsequently to profit or loss												
	(a) Remeasurement of the net defined benefit liability	-	-	-	-	90	-	-	-	-	-	-	90
	(b) Income tax relating to above item	-	-	-	-	(23)	-	-	-	-	-	-	(23)
	Item that will be reclassified subsequently to profit or loss												
	(a) Exchange differences in translation of foreign operations	44	40	84	200	397	-	-	-	-	-	-	-
	(b) Income tax relating to above item	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total other comprehensive income for the period/year, net of taxes</b>	<b>44</b>	<b>40</b>	<b>84</b>	<b>200</b>	<b>464</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67</b>
<b>7</b>	<b>Total comprehensive income for the period/year (5+6)</b>	<b>2,280</b>	<b>2,221</b>	<b>4,501</b>	<b>3,246</b>	<b>8,007</b>	<b>1,319</b>	<b>1,289</b>	<b>1,085</b>	<b>2,608</b>	<b>1,992</b>	<b>1,992</b>	<b>4,487</b>
	Total comprehensive income for the period/year attributable to:												
	Shareholders of the Company	2,280	2,221	4,518	3,275	8,006	1,319	1,289	1,085	2,608	1,992	1,992	4,487
	Non-controlling interest	(23)	-	(17)	(29)	1	-	-	-	-	-	-	-
<b>8</b>	<b>Paid up equity share capital [Face Value of ₹ 5 per share]</b>	6,747	6,747	6,747	6,747	6,747	6,747	6,747	6,747	6,747	6,747	6,747	6,747
<b>9</b>	<b>Other equity</b>	-	-	-	-	71,055	-	-	-	-	-	-	66,358
<b>10</b>	<b>Earnings Per Share [Face Value of ₹ 5 per share] (For the period not annualised)</b>												
	Basic and Diluted Earnings per share (in ₹)	1.67	1.62	3.29	2.18	5.49	0.97	0.96	0.79	1.93	1.43	1.43	3.22

\* Less than a Lakh.

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## Balance Sheet

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	Unaudited	Audited	Audited	
	As at September 30, 2023	As at March 31, 2023	As at September 30, 2023	As at March 31, 2023
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	61,824	62,825	56,908	57,590
Right-of-use assets	8,131	8,142	4,472	4,457
Capital work-in-progress	5,507	1,825	2,288	1,005
Other intangible assets	989	1,088	956	1,041
Financial assets				
(a) Investments	38	2	7,823	885
(b) Trade receivables	3,031	3,085	3,031	3,085
(c) Loans	-	-	2,907	9,761
(d) Other financial assets	1,822	1,876	1,083	1,019
Income tax assets (net)	2,062	1,289	1,996	1,267
Other non-current assets	2,200	1,845	2,200	1,015
<b>Total Non-current assets (1)</b>	<b>85,604</b>	<b>81,977</b>	<b>83,664</b>	<b>81,125</b>
<b>Current assets</b>				
Inventories	80,418	78,270	76,532	73,664
Financial assets				
(a) Investments	4,487	2,697	4,487	2,697
(b) Trade receivables	44,660	36,346	40,256	36,329
(c) Cash and cash equivalents	10,473	14,299	1,678	2,310
(d) Other bank balances	3,551	2,960	3,551	2,960
(e) Other financial assets	7,063	5,493	8,017	6,300
Other current assets	9,766	9,780	8,787	9,488
<b>Total Current assets (2)</b>	<b>1,60,418</b>	<b>1,49,845</b>	<b>1,43,308</b>	<b>1,33,748</b>
<b>Total assets (1+2)</b>	<b>2,46,022</b>	<b>2,31,822</b>	<b>2,26,972</b>	<b>2,14,873</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity share capital	6,747	6,747	6,747	6,747
Other equity	75,573	71,055	68,966	66,358
<b>Equity attributable to Shareholders of the Company</b>	<b>82,320</b>	<b>77,802</b>	<b>75,713</b>	<b>73,105</b>
Non-controlling interest	79	96	-	-
<b>Total Equity (1)</b>	<b>82,399</b>	<b>77,898</b>	<b>75,713</b>	<b>73,105</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
(a) Borrowings	7,672	9,881	7,572	9,760
(a i) Lease Liabilities	4,535	4,779	3,200	3,512
(b) Other financial liabilities	355	563	355	563
Provisions	1,242	1,201	1,242	1,201
Deferred tax liabilities (net)	457	567	468	567
Other non-current liabilities	23	23	23	23
<b>Total Non-current liabilities (2)</b>	<b>14,284</b>	<b>17,014</b>	<b>12,860</b>	<b>15,626</b>
<b>Current liabilities</b>				
Financial liabilities				
(a) Borrowings	59,667	52,238	59,635	52,149
(a i) Lease Liabilities	1,757	1,626	1,258	1,132
(b) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	681	540	681	540
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	68,203	57,857	62,689	55,255
(c) Other financial liabilities	7,136	7,905	3,565	3,736
Other current liabilities	6,304	11,528	5,322	9,147
Provisions	1,077	1,012	1,077	1,012
Income tax liabilities (net)	4,514	4,204	4,172	3,171
<b>Total Current liabilities (3)</b>	<b>1,49,339</b>	<b>1,36,910</b>	<b>1,38,399</b>	<b>1,26,142</b>
<b>Total Liabilities (2+3)</b>	<b>1,63,623</b>	<b>1,53,924</b>	<b>1,51,259</b>	<b>1,41,768</b>
<b>Total Equity and Liabilities (1+2+3)</b>	<b>2,46,022</b>	<b>2,31,822</b>	<b>2,26,972</b>	<b>2,14,873</b>

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## Statement of Cash flows

(₹ in Lakhs)

	Consolidated			Standalone		
	September 30, 2023	September 30, 2022	March 31, 2023	September 30, 2023	September 30, 2022	March 31, 2023
<b>Cash flow from operating activities:</b>						
<b>Profit before tax</b>	5,918	4,027	9,844	3,495	2,688	5,958
Adjustments for:						
Depreciation and amortisation expense	3,298	3,141	6,497	2,786	2,728	5,598
Loss on sale/scrap of property, plant and equipments (net)	-	(9)	18	-	(9)	18
Profit on sale of investment	(14)	(5)	(20)	(14)	(5)	(20)
Net gain arising from financial instruments designated as FVTPL	(101)	(9)	(46)	(101)	(9)	(46)
Provision for receivables and other liabilities no longer required, written back	(777)	(744)	(810)	(777)	(744)	(810)
Provision for credit impaired trade and other receivables, loans and advances (net)	314	1,221	1,387	314	1,221	1,387
Trade and other receivables written off	100	42	1,923	100	42	1,867
Finance costs	5,772	4,618	9,121	5,715	4,539	8,943
Interest income	(208)	(144)	(420)	(484)	(443)	(1,008)
Unrealised Exchange differences (net)	(343)	1,339	(513)	(390)	679	(1,137)
<b>Operating profit before working capital changes:</b>	<b>13,959</b>	<b>13,477</b>	<b>26,981</b>	<b>10,644</b>	<b>10,687</b>	<b>20,750</b>
Changes in working capital:						
Trade payables	11,264	783	4,791	8,352	166	5,054
Other liabilities	(6,168)	2,959	4,775	(4,171)	265	315
Provisions	106	230	471	106	229	97
Trade receivables	(8,247)	(8,328)	2,252	(3,944)	(6,529)	2,255
Inventories	(2,148)	(4,770)	(13,985)	(2,868)	(6,093)	(16,013)
Other assets	(1,524)	(3,321)	476	(955)	(2,244)	552
<b>Cash generated from operations</b>	<b>7,242</b>	<b>1,030</b>	<b>25,761</b>	<b>7,164</b>	<b>(3,519)</b>	<b>13,010</b>
Direct taxes paid (net of refunds)	(2,074)	(337)	(1,349)	(714)	(326)	(1,346)
<b>Net cash flow from operating activities (A)</b>	<b>5,168</b>	<b>693</b>	<b>24,412</b>	<b>6,450</b>	<b>(3,845)</b>	<b>11,664</b>
<b>Cash flows from investing activities:</b>						
Purchase of property, plant and equipments, including capital work-in-progress and capital advances	(5,739)	(1,889)	(7,131)	(4,054)	(1,332)	(3,594)
Proceeds from sale of property, plant and equipments	-	-	25	-	-	25
Investment in subsidiary and others	(36)	(144)	-	(37)	-	-
Net (increase) decrease in current investments	(1,675)	2,602	1,866	(1,675)	2,602	1,866
Inter-corporate deposits/ loans (net)	-	-	-	-	(1,159)	(1,094)
Movement in other bank balances	(591)	3,312	1,974	(591)	3,312	1,974
Interest received	162	109	469	291	150	437
<b>Net cash used in investing activities (B)</b>	<b>(7,879)</b>	<b>3,990</b>	<b>(2,797)</b>	<b>(6,066)</b>	<b>3,573</b>	<b>(386)</b>
<b>Cash flow from financing activities:</b>						
Proceeds from long term borrowings	-	5,500	7,500	-	5,500	7,500
Repayment of long term borrowings	(3,062)	(2,834)	(6,207)	(3,062)	(2,834)	(6,207)
Proceed from short-term borrowings(net)	8,254	5,732	1,975	8,332	5,578	1,786
Payment towards buyback of shares including transaction costs	-	(3,313)	(3,723)	-	(3,313)	(3,723)
Interest and other borrowing costs paid	(5,432)	(4,093)	(8,515)	(5,430)	(4,116)	(8,466)
Repayment of lease liability	(875)	(811)	(2,289)	(856)	(647)	(1,458)
<b>Net cash used in financing activities (C)</b>	<b>(1,115)</b>	<b>181</b>	<b>(11,259)</b>	<b>(1,016)</b>	<b>168</b>	<b>(10,568)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3,826)</b>	<b>4,864</b>	<b>10,356</b>	<b>(632)</b>	<b>(104)</b>	<b>710</b>
Cash and cash equivalents at the beginning of the year	14,299	3,777	3,777	2,310	1,600	1,600
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	-	166	-	-	-
Cash and cash equivalents at the end of the year	<b>10,473</b>	<b>8,641</b>	<b>14,299</b>	<b>1,678</b>	<b>1,496</b>	<b>2,310</b>

Note: The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows"

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**NOTES :**

1. The consolidated and standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI")
2. The above consolidated and standalone financial results were reviewed and recommended by the Audit Committee at their meeting held on November 07, 2023 and approved by the Board of Directors at their meeting held on November 09, 2023. The Statutory Auditors have issued an unmodified conclusion in respect of the limited review for the quarter and half year ended September 30, 2023.

3. The consolidated financial results include the results of the following group companies:

Name of the Company	Country of Incorporation	Nature of relationship	% Holding
Enertech Pennar Defense and Engineering Systems Private Limited	India	Subsidiary	51%
Pennar GmbH	Germany	Subsidiary	100%
Pennar Global Inc.	USA	Subsidiary	100%
Pennar Global Metals, LLC	USA	Step-down Subsidiary	100%
Ascent Buildings, LLC	USA	Step-down Subsidiary	100%
Cadnum SARL	France	Step-down Subsidiary	100%
Pennar global Investments LLC	USA	Step-down Subsidiary	100%
Pennar Metals Private Limited (w.e.f. June 22, 2023)(Refer Note 4)	India	Subsidiary	100%

4. The Company has incorporated Pennar Metals Private Limited, as Wholly owned subsidiary on June 22, 2023 and subscribed share capital ₹1 Lakh (comprising 10,000 number of equity shares of ₹ 10 each) .

5. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



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6 SEGMENT REPORTING :

Particulars	₹ In Lakhs					
	Quarter Ended		Half Year Ended		Year Ended	
	30-Sep-23 Unaudited	30-Jun-23 Unaudited	30-Sep-22 Unaudited	30-Sep-23 Unaudited	30-Sep-22 Unaudited	31-Mar-23 Audited
<b>Segment revenue</b>						
Diversified engineering	43,356	38,052	43,117	81,408	78,914	1,51,129
Custom designed building solutions & auxiliaries	40,668	38,628	41,974	79,296	79,921	1,50,501
<b>Total</b>	<b>84,024</b>	<b>76,680</b>	<b>85,091</b>	<b>1,60,704</b>	<b>1,58,835</b>	<b>3,01,630</b>
Less: inter segment revenue	2,611	1,791	1,692	4,402	5,438	12,168
<b>Revenue from operations</b>	<b>81,413</b>	<b>74,889</b>	<b>83,399</b>	<b>1,56,302</b>	<b>1,53,397</b>	<b>2,89,462</b>
<b>Segment results</b>						
Diversified engineering	4,212	4,073	4,569	8,285	6,947	14,969
Custom designed building solutions & auxiliaries	3,404	3,299	1,612	6,703	4,839	10,493
<b>Total</b>	<b>7,616</b>	<b>7,372</b>	<b>6,181</b>	<b>14,988</b>	<b>11,786</b>	<b>25,462</b>
Less:-						
Depreciation and amortisation expense	1,656	1,642	1,561	3,298	3,141	6,497
Finance costs	2,987	2,785	2,467	5,772	4,618	9,121
<b>Profit before tax</b>	<b>2,973</b>	<b>2,945</b>	<b>2,153</b>	<b>5,918</b>	<b>4,027</b>	<b>9,844</b>
					<b>As at</b>	
					<b>30-Sep-22</b>	<b>31-Mar-23</b>
					Unaudited	Unaudited
<b>Capital employed (Segment assets - Segment liabilities) (See notes below)</b>						
<b>Segment assets</b>						
Diversified engineering	1,80,876	1,75,736	1,61,700	1,70,184	1,70,184	1,70,184
Custom designed building solutions & auxiliaries	65,146	62,466	66,486	66,486	61,638	61,638
<b>Total Segment Assets</b>	<b>2,46,022</b>	<b>2,38,202</b>	<b>2,28,186</b>	<b>2,36,670</b>	<b>2,31,822</b>	<b>2,31,822</b>
<b>Segment liabilities</b>						
Diversified engineering	1,06,143	1,01,804	91,553	91,553	98,611	98,611
Custom designed building solutions & auxiliaries	57,480	56,364	63,364	63,364	55,313	55,313
<b>Total Segment Liabilities</b>	<b>1,63,623</b>	<b>1,58,168</b>	<b>1,54,917</b>	<b>1,54,917</b>	<b>1,53,924</b>	<b>1,53,924</b>

**Notes:**

i. Segment information is presented for the "consolidated financial results" as permitted under the Ind AS 108 - 'Operating Segments'.  
 ii. The Company is focused on two business segments: Diversified engineering and Custom designed building solutions & auxiliaries. Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker evaluates the Company's performance and allocation resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial results are consistently applied to record revenue and expenditure in individual segments.



By order of the Board  
 for Pennar Industries Limited  
  
 Aditya N. Rao  
 Vice Chairman & Managing Director  
 (DIN: 01307343)

Place : Hyderabad

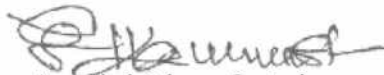
Date : November 09, 2023

**Independent Auditor's Review Report on unaudited Standalone financial results for the quarter and year to date of Pennar Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To The Board of Directors of Pennar Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Pennar Industries Limited** (the "Company") for the quarter ended September 30, 2023 and the year to-date results for the period from April 01, 2023 to September 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulations").
2. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ("Ind AS 34") and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W



Ananthakrishnan Govindan  
Partner  
Membership No.:205226  
UDIN: 23205226BGWEHT4323



Place: Hyderabad  
Date: November 09, 2023

**Independent Auditor’s Review Report on unaudited consolidated financial results for the quarter and year to date financial results of Pennar Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**To The Board of Directors Pennar Industries Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **Pennar Industries Limited** (the “Holding Company”), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the “Group”) for the quarter ended September 30, 2023 and the year to-date results for the period from April 01, 2023 to September 30, 2023 (the “Statement”), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Regulations”).
2. This Statement, which is the responsibility of the Holding Company’s Management and approved by the Holding Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ‘Interim Financial Reporting’ prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (“Ind AS 34”) and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’ issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. This Statement includes the results of the Holding Company and the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Pennar Global Inc. (USA) (PGI)	Wholly owned subsidiary
2	Pennar GmbH (Germany) (Pennar GmbH)	Wholly owned subsidiary
3	Pennar Metals Private Limited (India) (w.e.f. June 22, 2023)	Wholly owned subsidiary
4	Enertech Pennar Defense and Engineering Systems Private Limited (India)	Subsidiary
5	Pennar Global Metals Inc. (USA)	Step Subsidiary (Subsidiary of PGI)
6	Ascent Buildings LLC. (USA)	Step Subsidiary (Subsidiary of PGI)
7	Pennar Global Investment LLC (USA)	Step Subsidiary (Subsidiary of PGI)
8	Cadnum SARL (France)	Step Subsidiary (Subsidiary of Pennar GmbH)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports other auditor(s) referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not



# MSKA & Associates

Chartered Accountants

disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

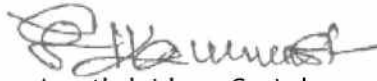
6. We did not review the interim financial information of Four subsidiaries included in the Statement, whose interim financial information reflects total assets of Rs. 32,471 lakhs as at September 30, 2023 and total revenues of Rs. 19,710 lakhs and Rs.37,716 lakhs, total net profit and total comprehensive income of Rs. 956 lakhs and Rs. 1,875 lakhs for the quarter ended September 30, 2023 and for the period from April 01, 2023 to September 30, 2023, respectively, and cash outflows (net) of Rs.3,132 lakhs for the period from April 01, 2023 to September 30, 2023, as considered in the Statement. This interim financial information's have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of the above matter.

7. The Statement includes the interim financial information of Four subsidiaries which has not been reviewed by their auditors, whose interim financial information reflects total assets of Rs. 4,717 lakhs as at September 30, 2023 and total revenue of Rs. 992 lakhs and Rs. 1,753 lakhs, total net (loss) after tax and total comprehensive (loss) of Rs. 74 lakhs and Rs. 66 lakhs for the quarter ended September 30, 2023 and for the period from April 01, 2023 to September 30, 2023, respectively, and cash outflows (net) of Rs.62 lakhs for the period from April 01, 2023 to September 30, 2023, as considered in the Statement. This interim financial information has been furnished to us by the Management and our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such management prepared unaudited interim financial information. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of the above matter.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W

  
Ananthakrishnan Govindan  
Partner  
Membership No.: 205226  
UDIN: 23205226BGWEHS9326



Place: Hyderabad  
Date: November 09, 2023

**Press Release**  
**For immediate release**

**Pennar Industries' Q2 FY24 Consolidated PAT, up by 36.5%.**

**Hyderabad, November 09, 2023:** Pennar Industries Limited (PIL), a leading value-added engineering products and solutions company, today announced its financial results for the second quarter ended on September 30<sup>th</sup>, 2023.

**Consolidated Financial Highlights – Q2 FY24**

- Net revenue at INR 814.13 crore compared to INR 833.99 crore in Q2 FY23
- EBITDA at INR 76.16 crore compared to INR 61.81 crore in Q2 FY23, up by 23.22%.
- PAT at INR 22.36 crore compared to INR 16.38 crore in Q2 FY23, up by 36.51%.

**Consolidated Financial Highlights – HYE FY24**

- Net revenue at INR 1,563.02 crore compared to INR 1,533.97 crore in HYE FY23, up by 1.89%.
- EBITDA at INR 149.88 crore compared to INR 117.86 crore in HYE FY23, up by 27.17%.
- PAT at INR 44.17 crore compared to INR 30.46 crore in HYE FY23, up by 45.01%.

**About Pennar Industries Limited:**

Pennar Industries (*NSE: PENIND, BSE: 513228*) is India's leading value-added engineering products and solutions company. Pennar Industries is a diversified engineering firm with presence in the Automotive, Rail & Aerospace, Infrastructure and Energy sectors. The company provides design/detailing, manufacturing and project execution services to its customers in India, North America and Europe. The company believes in sustainable profitability, liquid and growth. The primary growth verticals for the company in the next few years are Body in White Components and Systems, Hydraulics, Custom Designed Building Systems and Engineering Services. Pennar Industries operates with 13 manufacturing plants, 5 engineering offices and 42 sales offices in India, the US and Europe. The company is headquartered in Hyderabad, India.

**DISCLAIMER:**

*This release contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Pennar's future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Pennar undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances*

**For further information, please contact:**

K M Sunil  
Vice President - Corporate Strategy  
Pennar Industries Limited  
+91 97044 44606  
[Sunil.kuram@pennarindia.com](mailto:Sunil.kuram@pennarindia.com)

### Annexure-A

The details as required under SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015.

Sl. No.	Details of Events that need to be provided	Information of such events
1.	Name of the target entity, details in brief	Pennar GmbH ( Germany based wholly owned subsidiary of Pennar Industries Limited)
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	Yes, Pennar GmbH is a wholly owned subsidiary of Pennar Industries Limited. Further investment through equity shares done at arm's length basis.
3.	Industry to which the entity being acquired Belongs.	Engineering Service & Aerospace sector
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	To invest and expand its Aerospace operations in France through its subsidiary for purchase of building, equipment and working capital support.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	-
6.	Indicative time period for completion of the Acquisition	Not applicable
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Further investment by way of cash consideration of 1.35Mn Euros in multiple tranches.
8.	Cost of acquisition or the price at which the shares are acquired	Not applicable
9.	Percentage of shareholding / control acquired and / or number of shares acquired	100%
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information	<p>Pennar GmbH incorporated on 29<sup>th</sup> July 2019 headquartered in Bad Homburg, Germany. Pennar GmbH delivers engineering services &amp; aerospace components to our clients in Europe. We cater to the Aerospace, Automotive, Energy, Oil &amp; Gas, Building, and Infrastructure sectors.</p> <p>Turnover ( In Lacs)            FY 2020-21 :- INR 241.00            FY 2021-22 :- INR 468.82            FY 2022-23 :- INR 1,601.84</p>

for Pennar Industries Limited

  
 Mirza Mohammed Ali Baig  
 Company Secretary & Compliance Officer



### PENNAR INDUSTRIES LIMITED

Corporate Office & Works : IDA, Patancheru - 502319, Sangareddy District, Telangana State, INDIA.

Tel : +91 8455 242184 to 242193, Email : corporatecommunications@pennarindia.com, Website : www.pennarindia.com

Regd. Office: 3rd Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500084, Telangana, INDIA.

Tel : +91 40 41923108

CIN No: L27109TG1975PLC001919

### Annexure-B

The details as required under SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015.

Sl. No.	Details of Events that need to be provided	Information of such events
1.	Name of the target entity, details in brief	Pennar Global Inc.(US based wholly owned subsidiary of Pennar Industries Limited)
2.	Whether the acquisition would fall within related party transaction(s)and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	Yes, Pennar Global Inc is a wholly owned subsidiary of Pennar Industries Limited.  Further investment in Pennar Global Inc by way of equity which is being done at arm’s length basis.
3.	Industry to which the entity being acquired Belongs.	Engineering Services & Steel Products
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Not Applicable
5.	Brief details of any governmental or regulatory approvals required for the acquisition	-
6.	Indicative time period for completion of the Acquisition	Not Applicable
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration USD 1.7 Mn in multiple tranches.
8.	Cost of acquisition or the price at which the shares are acquired	Not Applicable
9.	Percentage of shareholding / control acquired and / or number of shares acquired	100%
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information	Name: Pennar Global Inc, Date of Incorporation: June 5th, 2017 Country of Incorporation: USA Last 3 years turnover:  2020-21: INR 76.92 Cr 2021-22: INR 391.73 Cr 2022-23:INR 702.93 Cr

for Pennar Industries Limited

  
**Mirza Mohammed Ali Baig**  
 Company Secretary & Compliance Officer



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**CIN No:** L27109TG1975PLC001919

### Annexure-C

The Board of Directors reconstituted the composition of Nomination and Remuneration Committee of the Company with the following member's w.e.f 9<sup>th</sup> November, 2023.

Sl. No.	Name of the Member	Designation	Category
1.	Chandrasekhar Sripada	Chairman	Non-Executive Independent Director
2.	RVS Ramakrishna	Member	Non-Executive Independent Director
3.	B Kamalaker Rao	Member	Non-Executive Independent Director

for Pennar Industries Limited



**Mirza Mohammed Ali Baig**  
Company Secretary & Compliance Officer

### PENNAR INDUSTRIES LIMITED

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**CIN No:** L27109TG1975PLC001919

**Annexure-D**

The Board of Directors at its meeting held on 9<sup>th</sup> November, 2023 authorizes the Key Managerial Personnel to determine materiality of an event or information and Company Secretary, any one or more of the following is authorized for making disclosures of such event or information to the stock exchanges:

Sl No.	Name of the Key Managerial Personnel	Designation	Contact details
1.	Aditya Rao	Vice-Chairman & Managing Director	Contact No. 040-40210525; Address: Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500 084; e-Mail ID: adityarao@pennarindustries.com
2.	Shrikant Bhakkad	Chief Financial Officer	Contact No. 040-40210525; Address: Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500 084; e-Mail ID: shri@pebspennar.com
3.	Mirza Mohammed Ali Baig	Company Secretary & Compliance Officer	Contact No. 040-40210525; Address: Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500 084; e-Mail ID: mirza.baig@pennarindia.com

**for Pennar Industries Limited****Mirza Mohammed Ali Baig**  
**Company Secretary & Compliance Officer****PENNAR INDUSTRIES LIMITED****Corporate Office & Works :** IDA, Patancheru - 502319, Sangareddy District, Telangana State, INDIA.**Tel :** +91 8455 242184 to 242193, **Email :** corporatecommunications@pennarindia.com, **Website :** www.pennarindia.com**Regd. Office:** 3rd Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500084, Telangana, INDIA.**Tel :** +91 40 41923108**CIN No:** L27109TG1975PLC001919